

105TH CONGRESS  
1ST SESSION

# S. 1103

To amend title 23, United States Code, to authorize Federal participation in financing of projects to demonstrate the feasibility of deployment of magnetic levitation transportation technology, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

JULY 31, 1997

Mr. MOYNIHAN (for himself, Mr. REID, Mrs. BOXER, Ms. MIKULSKI, and Mr. ROBB) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

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## A BILL

To amend title 23, United States Code, to authorize Federal participation in financing of projects to demonstrate the feasibility of deployment of magnetic levitation transportation technology, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

### 3   **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Magnetic Levitation  
5   (MAGLEV) Transportation Technology Deployment Act  
6   of 1997”.

### 7   **SEC. 2. FINDINGS AND POLICY.**

8       (a) FINDINGS.—Congress finds that—

1           (1)(A) new transportation technologies are  
2 needed to develop new modes of transportation that  
3 are environmentally sound and energy efficient;

4           (B) very high- and super-speed magnetic levita-  
5 tion (referred to in this section as “MAGLEV”) is  
6 the technology that appears to best meet the needs  
7 of the traveling public and high-value freight ship-  
8 pers in the 40- to 600-mile distance corridors;

9           (C) MAGLEV is energy efficient, consuming  
10 less energy per passenger mile at any given speed  
11 than other forms of transportation and reducing de-  
12 pendence on imported oil;

13          (D) since properly designed MAGLEV is vir-  
14 tually impossible to derail, MAGLEV is safe and will  
15 prevent accidents and loss of life, and will signifi-  
16 cantly reduce costs attributable to accidents occur-  
17 ring on highways, freight rail lines, intercity rail  
18 passenger service lines, commuter rail lines, and  
19 short haul airline routes of the United States;

20          (E) MAGLEV is virtually unaffected by weath-  
21 er conditions, which annually result in delays in  
22 other transportation modes employed by freight and  
23 passenger carriers; and

1 (F) MAGLEV makes extensive use of existing  
2 highway rights-of-way and consumes less land for its  
3 guideway infrastructure than a comparable roadway;

4 (2) the commercial feasibility study of high-  
5 speed ground transportation conducted under section  
6 1036 of the Intermodal Surface Transportation Effi-  
7 ciency Act of 1991 (Public Law 102–240; 105 Stat.  
8 1978)—

9 (A) demonstrates that MAGLEV systems  
10 have the potential for a public and private part-  
11 nership under which the private sector could op-  
12 erate a system without operating subsidies and  
13 the total benefits of the system would exceed  
14 the total costs; and

15 (B) demonstrates that adding links or cor-  
16 ridors to the basic MAGLEV system would en-  
17 hance the basic system, leading to establish-  
18 ment of high-volume high-speed ground trans-  
19 portation networks; and

20 (3) the study required by section 359(d) of the  
21 National Highway System Designation Act of 1995  
22 (Public Law 104–59; 109 Stat. 627) further dem-  
23 onstrates the potential for MAGLEV systems.

24 (b) POLICY.—It is the policy of the United States to  
25 establish a MAGLEV transportation technology system

1 operating along Federal-aid highway and other rights-of-  
 2 way as part of a national transportation system of the  
 3 United States.

4 **SEC. 3. MAGNETIC LEVITATION TRANSPORTATION TECH-**  
 5 **NOLOGY DEPLOYMENT PROGRAM.**

6 (a) IN GENERAL.—Chapter 3 of title 23, United  
 7 States Code, is amended by inserting after section 321 the  
 8 following:

9 **“§ 322. Magnetic levitation transportation technology**  
 10 **deployment program**

11 “(a) DEFINITIONS.—In this section:

12 “(1) ELIGIBLE PROJECT COSTS.—The term ‘eli-  
 13 gible project costs’ means the capital cost of the  
 14 fixed guideway infrastructure of a MAGLEV project,  
 15 including land, piers, guideways, propulsion equip-  
 16 ment and other components attached to guideways,  
 17 power distribution facilities (including substations),  
 18 control and communications facilities, access roads,  
 19 and storage, repair, and maintenance facilities, but  
 20 not including costs incurred for a new station.

21 “(2) FULL PROJECT COSTS.—The term ‘full  
 22 project costs’ means the total capital costs of a  
 23 MAGLEV project, including eligible project costs  
 24 and the costs of stations, vehicles, and equipment.

1           “(3) MAGLEV.—The term ‘MAGLEV’ means  
2           transportation systems employing magnetic levita-  
3           tion that would be capable of safe use by the public  
4           at a speed in excess of 240 miles per hour.

5           “(4) PARTNERSHIP POTENTIAL.—The term  
6           ‘partnership potential’ has the meaning given the  
7           term in the commercial feasibility study of high-  
8           speed ground transportation conducted under section  
9           1036 of the Intermodal Surface Transportation Effi-  
10          ciency Act of 1991 (Public Law 102–240; 105 Stat.  
11          1978).

12          “(5) RECOGNIZED PILOT PROJECT.—The term  
13          ‘recognized pilot project’ means a project identified  
14          in the report transmitted by the Secretary to Con-  
15          gress on the near-term applications of magnetic levi-  
16          tation ground transportation technology in the Unit-  
17          ed States as required by section 359(d) of the Na-  
18          tional Highway System Designation Act of 1995  
19          (Public Law 104–59; 109 Stat. 627).

20          “(b) HIGH-SPEED GROUND TRANSPORTATION  
21          OFFICE.—

22          “(1) IN GENERAL.—Not later than 90 days  
23          after the date of enactment of the Magnetic Levita-  
24          tion (MAGLEV) Transportation Technology Deploy-  
25          ment Act of 1997, the Secretary shall establish a

1 High-Speed Ground Transportation Office in the  
2 Federal Railroad Administration to—

3 “(A) coordinate and administer all high-  
4 speed rail and MAGLEV programs authorized  
5 by this section and any other provision of this  
6 title or title 49; and

7 “(B) make available financial assistance to  
8 provide the Federal share of full project costs  
9 of eligible projects selected under this section  
10 and otherwise carry out this section.

11 “(2) FEDERAL SHARE.—The Federal share of  
12 full project costs under paragraph (1)(B) shall be  
13 not more than  $\frac{2}{3}$ .

14 “(3) USE OF ASSISTANCE.—Financial assist-  
15 ance provided under paragraph (1)(B) shall be used  
16 only to pay eligible project costs of projects selected  
17 under this section.

18 “(c) SOLICITATION OF APPLICATIONS FOR ASSIST-  
19 ANCE.—Not later than 90 days after the establishment of  
20 the High-Speed Ground Transportation Office, the Sec-  
21 retary shall solicit applications from States, or authorities  
22 designated by 1 or more States, for financial assistance  
23 authorized by subsection (b)(1)(B) for planning, design,  
24 and construction of eligible MAGLEV projects.

1       “(d) PROJECT ELIGIBILITY.—To be eligible to re-  
 2       ceive financial assistance under subsection (b)(1)(B), a  
 3       project shall—

4               “(1) involve a segment or segments of a high-  
 5       speed ground transportation corridor that—

6                       “(A) exhibits partnership potential; or

7                       “(B) is a portion of a recognized pilot  
 8       project;

9               “(2) require an amount of Federal funds for  
 10      project financing that will not exceed—

11                      “(A) the amounts made available under  
 12      subsection (j)(1)(A); and

13                      “(B) the amounts made available by States  
 14      under subsection (j)(4);

15               “(3) result in an operating transportation facil-  
 16      ity that provides a revenue producing service;

17               “(4) be undertaken through a public and pri-  
 18      vate partnership, with at least  $\frac{1}{3}$  of full project  
 19      costs paid using non-Federal funds;

20               “(5) to the maximum extent practicable (as de-  
 21      termined by the Secretary), satisfy applicable State-  
 22      wide and metropolitan planning requirements;

23               “(6) be approved by the Secretary based on an  
 24      application submitted to the Secretary by a State or  
 25      authority designated by 1 or more States;

1 “(7) to the extent non-United States MAGLEV  
2 technology is used within the United States, be car-  
3 ried out as a technology transfer project; and

4 “(8) be carried out using materials at least 70  
5 percent of which are manufactured in the United  
6 States.

7 “(e) PROJECT SELECTION CRITERIA.—Prior to solie-  
8 iting applications, the Secretary shall establish criteria for  
9 selecting which eligible projects under subsection (d) will  
10 receive financial assistance under subsection (b)(1)(B).  
11 The criteria shall include the extent to which—

12 “(1) a project is nationally significant, includ-  
13 ing the extent to which the project will demonstrate  
14 the feasibility of deployment of MAGLEV technology  
15 throughout the United States;

16 “(2) timely implementation of the project will  
17 reduce congestion in other modes of transportation  
18 and reduce the need for additional highway or air-  
19 port construction;

20 “(3) States, regions, and localities financially  
21 contribute to the project;

22 “(4) implementation of the project will create  
23 new jobs in traditional and emerging industries;

24 “(5) the project will augment MAGLEV net-  
25 works identified as having partnership potential;



1           “(6) financial assistance would foster public  
2           and private partnerships for infrastructure develop-  
3           ment and attract private debt or equity investment;

4           “(7) financial assistance would foster the timely  
5           implementation of a project; and

6           “(8) life-cycle costs in design and engineering  
7           are considered and enhanced.

8           “(f) PROJECT SELECTION.—Not later than 90 days  
9           after a deadline established by the Secretary for the re-  
10          ceipt of applications, the Secretary shall evaluate the eligi-  
11          ble projects in accordance with the selection criteria and  
12          select 1 or more eligible projects for financial assistance.

13          “(g) JOINT VENTURES.—A project undertaken by a  
14          joint venture of United States and non-United States per-  
15          sons (including a project involving the deployment of non-  
16          United States MAGLEV technology in the United States)  
17          shall be eligible for financial assistance under this section  
18          if the project is eligible under subsection (d) and selected  
19          under subsection (f).

20          “(h) RESEARCH GRANTS AND CONTRACTS.—The  
21          Secretary shall conduct research that shall include provid-  
22          ing grants to, and entering into contracts with, colleges,  
23          universities, research institutes, Federal laboratories, and  
24          private entities for research related to—

1           “(1) the quantification of benefits derived from  
2           the implementation of MAGLEV technology;

3           “(2) MAGLEV safety;

4           “(3) the development of domestic MAGLEV  
5           technologies, including electromagnetic and super-  
6           conducting technology; and

7           “(4) the development of technologies associated  
8           with MAGLEV infrastructure.

9           “(i) REPORT.—Not later than 180 days after the  
10          date of enactment of the Magnetic Levitation (MAGLEV)  
11          Transportation Technology Deployment Act of 1997, the  
12          Secretary shall submit a report to the Committee on Envi-  
13          ronment and Public Works of the Senate and the Commit-  
14          tee on Transportation and Infrastructure of the House of  
15          Representatives on progress in implementing this section  
16          that includes a report on—

17               “(1) the establishment of the High-Speed  
18          Ground Transportation Office under subsection (b);

19               “(2) applications for assistance under this sec-  
20          tion; and

21               “(3) the establishment of public and private  
22          partnerships to carry out this section.

23          “(j) AUTHORIZATION OF APPROPRIATIONS.—

1           “(1) IN GENERAL.—There are authorized to be  
2       appropriated from the Highway Trust Fund (other  
3       than the Mass Transit Account) to—

4           “(A) carry out this section (other than  
5       subsection (h)), \$10,000,000 for fiscal year  
6       1998, \$20,000,000 for fiscal year 1999,  
7       \$200,000,000 for each of fiscal years 2000 and  
8       2001, and \$250,000,000 for each of fiscal years  
9       2002 and 2003; and

10          “(B) provide research grants and contracts  
11       under subsection (h), \$10,000,000 for each of  
12       fiscal years 1998 through 2003.

13          “(2) AVAILABILITY OF FUNDS.—Funds made  
14       available under paragraph (1) shall remain available  
15       until expended.

16          “(3) CONTRACT AUTHORITY.—Approval by the  
17       Secretary of an eligible project selected under this  
18       section shall be considered to be a contractual obli-  
19       gation of the United States for payment of the Fed-  
20       eral share of the full project costs of the project.

21          “(4) OTHER FEDERAL FUNDS.—Notwithstand-  
22       ing any other provision of law, funds made available  
23       to a State to carry out the surface transportation  
24       program under section 133 and the congestion miti-  
25       gation and air quality improvement program under

1       section 149 may be used by the State to pay a por-  
 2       tion of the full project costs of an eligible project se-  
 3       lected under this section, without requirement for  
 4       non-Federal funds.

5           “(5) OTHER ASSISTANCE.—Notwithstanding  
 6       any other provision of law, an eligible project se-  
 7       lected under this section shall be eligible for the  
 8       loans, loan guarantees, lines of credit, development  
 9       cost and political risk insurance, credit enhance-  
 10      ment, and risk insurance that are authorized for a  
 11      highway project under this title.

12          “(6) TAX-EXEMPT BOND FINANCING.—For the  
 13      purpose of obtaining tax-exempt bond financing  
 14      under the Internal Revenue Code of 1986, a  
 15      MAGLEV facility shall be considered to be a high-  
 16      speed intercity rail facility with an average speed  
 17      greater than 150 miles per hour under section  
 18      142(a)(11) of that Code.”.

19          (b) CONFORMING AMENDMENT.—The analysis for  
 20      chapter 3 of title 23, United States Code, is amended by  
 21      inserting after the item relating to section 321 the  
 22      following:

“322. Magnetic levitation transportation technology deployment program.”.

